SHRI ARUN JAITLEY: Sir, I move:

"That the Bill be passed."

The question was put and the motion was adopted.

SHRIMATI S.G. INDIRA (Tamil Nadu): Sir, I want to give one suggestion to the hon. Minister that, at present, at the time of registration, the witness puts his thumb impression. In this Bill, there should be a provision for affixing the photograph of the witness on the registration document.

THE VICE-CHAIRMAN (SHRI SURESH PACHOURI): You may give your suggestion to the hon. Minister when you meet him.

THE CENTRAL SALES TAX (AMENDMENT) BILL, 2001

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): Sir, I move:

"That the Bill further to amend the Central Sales Tax Act, 1956, as passed by the Lok Sabha, be taken into consideration."

The question was put and the motion was adopted.

THE VICE-CHAIRMAN (SHRI SURESH PACHOURI): We shall now take up clause-by-clause consideration of the Bill.

Clauses 2 to 3 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to ttie Bill.

SHRI GINGEE N. RAMACHANDRAN: Sir, I move:

"That the Bill be returned."

The question was put and the motion was adopted.

THE MANIPUR APPROPRIATION (VOTE ON ACCOUNT) BILL, 2001

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): Sir, I move:

"That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of the State of Manipur for the

services of a part of the financial year 2001-2002, as passed by the Lok Sabha, be taken into consideration."

The question was proposed.

SHRI W. ANGOU SINGH (Manipur): Thank you, Mr. Vice-Chairman, Sir, for having allowed me to participate in the discussion on the Budget for Manipur. This is for the year 2001-02. The total gross expenditure is estimated at Rs.2,434.57 crores, against the Revised Estimate of Rs.3,209.52 crores.

Before I come to the discussion on the Budget, I want to say something about the present situation in the State of Manipur. Sir, the Legislative Assembly of Manipur had already authorised the expenditure for the first four months of 2001-02 *ie.,* up to July, 2001. Now, the present Vote-on-Account is to be passed for the next four more months, from August to November.

Sir, since Manipur is under President's Rule, the Vote-on-Account for Manipur has come before Parliament. Sir, the State of Manipur comprises both hill and plain. Out of the total population of 23 lakhs, 27.3% are tribai people. They are mostly settled in the hill area. Among the tribals, there are three groups-one is the Naga group; the other is the Kuki group; the third is the intermediary group. There are 29 tribes in the hill areas. Most of them have their own dialects. They don't understand there languages with each other. The Manipuri language is *the-lingua franca*. The President's rule was imposed on 2nd June, 2001 and on 14th June, 2001, the Central Government took a decision to extend the ceasefire beyond Nagaland with NSCN (IM).

Almost the all majority of the people of the State, except the Nagas, revolted against the decision of the Government of India and with NSCN (IM) it was because of that the historical building of Manipur Assembly Secretariat and the Bungalows of the Ministers and the quarters of MLAs were burnt down. This matter has already been discussed in the House, therefore, I do not want to say anything more. Even now the people of Manipur have a feeling of doubt with regard to the situation which is now under control after the announcement by the Home Minister that the words without 'territorial limit' had been removed from that agreement. There is a doubt among the people as the NSCN (IM) rejected the statement of the Home Minister. As a result of this, there is sill tension among the people of Manipur, more so because of that, the Naga groups in the hills have now

revolted against the decision of the Government of India. They are disturbing the normal life of the people of Manipur. Sir, the National Highway No.39, which is the lifeline for the State of Manipur through which things like petrol, diesel, kerosene oil and other essential commodities are carried to the State of Manipur has been blocked for more than one month. It is because of this, the situation in the State is now very critical. There is no normalcy. Even now, most of the MLAs, the Naga MLAs, the nine Naga MLAs who had gone to their constituencies, are not returning. The situation in the hill areas is also not calm. In the Valley also, there is a great doubt. As a result of this, we have to wait to see what happens in the near future. We have fear of another ugly incident similar to the one which took place on 18th June, 2001, which destroyed everything in the State of Manipur. So, this is the position now." Keeping all this in view, the Government and particularly, the Home Minister, should consider dissolution of State Assembly and holding of fresh election. But in that respect I have a great doubt. I have no objection to the dissolution of the Assembly. The only question which I want to raise, through you, Sir, in this House is in view of the situation which is now prevailing in the State, whether it will be possible to hold election with free and fair manner in the near future. Now the hon. Finance Minister wants to take a Vote-on-Account for only four months. I do not expect that within these four months, there will be normalcy. Now most of the Naga employees who had left and gone to the hills, are refusing to return. I do not know whether the present administration has informed the Centre about this. But most of the Naga officers and employees are not returning to their duties.

Because they also have a feeling and they also have an apprehension of the interference of NSCN (IM). Because of that apprehension, even if they want to return to the valley and attend to their official duties, they are not able to do it. They also have an apprehension about the NSCN (IM), especially when there is no elected Government there. Now, the existing Government is doing nothing. The Government is simply looking at things and observing the situation. So, the need of the hour is to bring normalcy in the State. The representatives of all the political parties have gone underground and are not coming out to bring peace and normalcy in the State of Manipur. There is a suspicion in the minds of the pepple of Manipur. I think, for the time being, it is better to utilise the services of the MLAs. At the same time, I do not want the popular Government to be brought back, but the only suggestion that I would like to make is to extend the ceasefire for the time being in order to utilise the

services of the MLAs, because the Assembly is the centre for all the MLAs and all the representatives to discuss different issues, which are creating problems everyday, and to bring about a peaceful solution. So, my request to the hon. Home Minister is, the suspension of the Assembly should be extended for some more time.

Another point is the services of the MLAs should also be utilised properly in order to bring back normalcy in the State of Manipur. Now, the situation in the hilly areas is that the Naga Nationalist Council is organising a meeting on September 4, 2001, at Senapati District, to impress upon the Government of India the need for unification of the Naga inhabited areas and honouring the 14th June ceasefire agreement in toto. They will also be holding another meeting. The representatives of all the political parties have gone underground. The NSCN (IM) is now active in the hilly areas and influencing the people of hilly areas. They had boycotted the last election and also all earlier elections. So, the need of the hour is to utilise the services of all political parties, including the MLAs. I, now, request the Government and all the hon. Members of the House that, at least, an All-party Delegation should visit the State of Manipur and see the situation prevailing in the State of Manipur.

Before concluding my speech, I would like to say something on the Manipur Appropriation Bill, 2001.

An alarming feature of the Budget is: that against opening balance of Rs.382.68 crores and the closing balance is - Rs.498.67 cores, showing a deficit of Rs.116 crores during the current years transaction. This trend of deficit is seen in the last few years and it is likely that within the next few years, it could be impossible to manage the finance of the State. In order to normalise the State funding, the State has entered into a Memorandum of Understanding on 9h April, 1998, with the Department of Expenditure of the Ministry of Finance.

In spite of the various measures taken by the State, including harsh measures like suspending the various allowances to the State government employees, due to weak resource base, the State is finding it difficult to meet its ends Even now, taking into consideration the figure in the Budget, the cash position of the State is very serious. The State is unable to spend any more on development activities. So, apart from the worsening law and order situation, the development activities are also not being taken up on an

emergency basis. The law and order situation will further worsen, and there will be a period of 'no return to normalcy'. I now support the budget.

THE VICE-CHAIRMAN (SHRI SURESH PACHOURI): Mr. Minister.

SHRI DRUPAD BORGOHAIN (Assam): Sir, is my name not there?

THE VICE-CHAIRMAN (SHRI SURESH PACHOURI): No, your name is not here. Do you also want to speak?

SHRI DRUPAD BORGOHAIN: Yes, Sir.

THE VICE-CHAIRMAN (SHRI SURESH POCHOURI): Okay.

SHRI DRUPAD BORGOHAIN (Assam): Thank you, Sir, for allowing me to speak on this issue. I support The Manipur Appropriation (Vote-on-Account) Bill, 2001 because it is very essential. Otherwise, the Government machinery cannot be run there. So, I rise to support this Bill, and I will support it. But while supporting this Bill, I want to raise two-three points. First, the situation that led to the animated suspension of the Manipur Assembly was not healthy. That is my viewpoint. The fall of the Government was due to the defection of a group from the same ruling circle. Sir, the decision that has been taken by the Union Government, in such a situation, I think, is quite wrong. It will not help in maintaining the proper norms of parliamentary democracy. It will lead to horse-trading, which is very, very dangerous for our democracy. This not only deteriorates the value of democracy, but it also creates a situation where the common people may loose faith in our polity. So, Sir, I am of the opinion that such type of animated suspension, which may lead to horse treading, should be avoided at this late hour also. That is my first point. I could not subscribe to the opinion of the hon. Member, Shri Angou Singh. He said that there is situation the situation was not helpful for holding elections. But, I think, this animated suspension should be revoked, the Assembly should be dissolved and fresh elections should be held. Sir, in 1983, there was a similar type of situation in Assam also, but elections were held there at that time. In Kashmir also, there was a similar type of situation, but elections were held there also. I agree that Manipur is facing a difficult situation. But, during the last elections also, the people of Manipur faced some difficulties. So, we should think of a method to conduct elections there, and the animated suspension of the Assembly should not be there; rather, fresh elections should be held. That is my viewpoint. Secondly, some ominous .development occurred in Manipur, when the Government extended its

ceasefire with the NSCN(IM) "without territorial limits". Here, everybody knows quite well that the agreement was quite wrong. It was against the peace and harmony in the region. I don't agree that it was made to bring peace, because this attempt was made without knowing the sentiments of the people. So, it boomeranged, and that too, heavily, on Manipur. Mr. Padmanabhaiah, the chief mediator, failed in this respect. As a reaction to this agreement, the movement turned violent and most of the Government houses were burnt there. The Manipur State exchequer had to bear the brunt. Who will give this money? I urge upon the Finance Minister to look into this matter very seriously.

I think, the Union Government must bear this burden, as it happened due to an agreement made by the Union Government on a wrong premise. With these words, I support this Appropriation Bill. It is very much essential. Thank you.

श्री जनेश्वर मिश्र(उत्तर प्रदेश): उपसभाध्यक्ष महोदय, मैं इस बिल का समर्थन करता हूं। महोदय, मणिपुर में राजनीतिक वातावरण में जो कुछ भी हुआ है, उसके लिए कायदे से हम लोगों को गृह मंत्री जी से जवाब तलब करना चाहिए। माननीय सदस्यों ने वित्त मंत्री महोदय के खिलाफ शिकायत करके एक तरह से इनके साथ अन्याय किया है। बेहतर होता कि गृह मंत्री जी यहां आते और वहां की परिस्थिति पर हम लोग बहस करते कि क्यों केन्द्र सरकार को मणिपुर के लिए अलग से बजट बनाने और खर्चा करने की इज़ाज़त मांगनी पड़ी। अब तो यह हो नहीं सकता क्योंकि आज सत्र का आखिरी दिन है।

महोदय, मैं वित्त मंत्री जी की तारीफ करना चाहता हूं कि उन्होंने कम से कम यह बिल तो पेश किया। इस सरकार में कुछ ऐसे भी मंत्री हैं जिन्होंने किराए तो बढ़ा दिए, भाड़ा बढ़ा दिया लेकिन इस बारे में सदन में ब्यान तक नहीं दिया। हम लोग आज के बाद जनता के बीच में जाएंगे तो लोग हमसे पूछेंगे कि रेल का किराया कैसे बढ़ गया, भाड़ा कैसे बढ़ गया, तुम लोगों ने क्या किया? जब संसद का सत्रचल रहा होता है, उस समय अगर इस तरह का काम सरकार करे तो यह ठीक नहीं है।

उपसभाध्यक्ष (श्री सुरेश पचौरी): उन्होंने स्टेटमेंट दिया था,कल रेल मंत्री ने वक्तव्य दिया था।

श्री जनेश्वर मिश्र: महोदय, जब गृह मंत्री से जवाब तलब किया जाता है तो रेल मंत्री जी से भी पूछना चाहिए। हम चाहेंगे कि वित्त मंत्री जी और नेता सदन रेल मंत्री जी से कहें कि वह इस बारे में ब्यान दें कि ऐसा क्यों करना पड़ा। धन्यवाद।

उपसभाध्यक्ष (श्री सुरेश पचौरी): परसों इस संबंध में राजगोपाल जी ने स्टेटमेंट दिया है,वे रेल विभाग में राज्य मंत्री हैं, उन्होंने परसों इस संबंध में वक्तव्य दिया है।

1.00 P.M.

DR. BIPLAB DASGUPTA (West Bengal): I associate myself with what Shri Janeshwar Mishra has said.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI O. RAJAGOPAL): Mr. Vice-Chairman, Sir. the day-before-yesterday, I had made a statement in this House.

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): Sir, I am grateful to the hon. Members who have expressed their views with regard to the situation in Manipur. According to my information, this hon. House had discussed, in detail, the situation in Manipur towards the end of last month when the issue of the approval of imposition of President's Rule was taken up in this House. My distinguished colleague, the hon. Minister of State in the Ministry of Home Affairs, is here, and, I am quite sure, he has taken note of the various points which have been raised with regard to the political situation in Manipur. And, I am equally certain that the Ministry of Home Affairs will take appropriate measures in the matter. Sir, as has been explained, I have come before this House only for a Vote-on-Account. The Manipur Legislature had adopted a Vote-on-Account for four months, *i.e.,* upto the month of July. I have come to this hon. House for its approval for the expenditure during the next four months, that is, from August to November. The reason why we are coming only with a Vote-on-account and not a full Budget for the whole year is that, we believe that popular rule should be restored in Manipur, as quickly as possible. It is our hope that, by the time we run through with this Vote-on-Account, *i.e.* till the month of November, elections would be held in Manipur and a popular Government will be in position; therefore, for the part of the financial year, which would still be left, they will take into account the popular aspirations and prepare a Budget, accordingly.

Sir, my attention has been drawn to the deficit in the Manipur Budget which has been projected in this Statement of Expenditure and Income, which I have laid. Sir, it is well know that the fiscal situation is critical. I have some figures here which will show that the total expenditure only on pay and allowances and pensions in the State of Manipur, per month, is around Rs.68 crores; and the State's own resources add up to only about Rs.8 crores per month. The revenue and non-revenue receipts add up to just about Rs.8 crores. So, there is a gap of something like Rs.60 crores every month, as far as the State's own finances are

concerned. These are made up by devolution from the Centre, through Plan assistance and all that. I have also noticed that the ways and means support to the State Government, in the past years -- and even in the current year - has been going up, and it was with this in view -- because we realised that there were structural problems with the finances of Manipur; while, separately, the Eleventh Finance Commission had gone into it, we also examined it in the Ministry of Finance and in the Planning Commission, and we tried to bring the finances back on wheels -- we entered into a Memorandum of Understanding with them in the year 1999. Some work has been done in terms of that MoU; some more work remains to be done. Therefore, during the three months of President's Rule, this Vote- of-Account will operate. And, as and when elections are held and a popular Government takes charge of the State of Manipur, Sir, it will be our endeavour to continue to work closely with the State Government and make sure that these structural reforms to improve the fiscal situation are taken and the situation is improved. I would also, in the meanwhile, say that as far as the Annual Plan of Manipur is concerned, we expect that it will be finalised very soon, reflecting the aspirations of the people in that State. As far as the Government of India is concerned, we, in the Ministry of Finance and in the Planning Commission, have always been forthcoming to help the States; not only Manipur, but all the North-Eastern States; and I would like to reiterate the commitment of the Government of India that we will solidly stand by the various North-Eastern States in order to ensure that they develop, that the people jare made more prosperous, and that we are able to make economic progress. Thank you, Sir.

THE VICE-CHAIRMAN (SHRI SURESH PACHOURI): Now, the question is :

> "That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of the State of Manipur for the services of a part of the financial year 2001-02, as passed by the Lok Sabha, be taken into consideration".

The motion was adopted.

THE VICE-CHAIRMAN (SHRI SURESH PACHOURI): Now, we shall take up clause-by-clause consideration of the Bill.

Clauses 2 and 3 and the Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI YASHWANT SINHA: Sir, I move : "That the Bill be returned."

The question was put and the motion was adopted.

THE APPROPRIATION (NO. 3) BILL, 2001

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): Sir, I beg to move:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 2001-02, as passed by the Lok Sabha, be taken into consideration."

The question was proposed.

SHRI K. RAHMAN KHAN (Karnataka): Mr. Vice-Chairman. Sir, the Finance Minister has moved the Appropriation (No. 3) Bill, 2001, seeking the sanction of the Parliament for Rs. 3709 crores for making various payments. Sir, this Appropriation Bill contains payments which relate to bailing out the financial institutions and public sector undertakings. In this, Rs.400 crores have been included for payment to financial institutions and Rs.800 crores for bailing out the public sector undertakings. Most of the expenditure is for making up the losses of the public sector undertakings or for bailing out the financial institutions.

Sir, it is a matter of great concern that one after another the financial institutions are facing a crisis. Both the Houses of Parliament have debated the UTI crisis. This is not the first time that there is a crisis in the UTI. It happened earlier also in 1998. The Government came out with a bail-out package, amounting to Rs.300 odd crores. Now, see what has happened to the US-64. I do not want to go into the details. After that, the Government has to bail out the IFCI also.

उपसभाध्यक्ष (**श्री सुरेश पचौरी**): रहमान जी, एक मिनट। क्या सदन की राय है कि इस विषय पर हम चर्चा जारी रखें लंच ब्रेक न करते हुए ?

श्री सतीश प्रधान(महाराष्ट्र)**:** सर, पहले विषय खत्म कर लीजिए।

उपसभाध्यक्ष (**श्री सुरेश पचौरी**): ठीक है। आप कंटीन्यू रखिए।